



“Predicting the Future” – 2016 Claims



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Webinar, 15 February 2017

IRISH LIFE CLAIMS 2016 – €170m

PENSIONS
INVESTMENTS
LIFE INSURANCE



Irish Life

WE'VE IRELAND COVERED!

AN
AVERAGE OF
OVER
€4 MILLION
PER WEEK

the average weekly amount we
paid out in claims to families
across Ireland
in 2016*

THIS MAP SHOWS THE LIFE
INSURANCE AND SPECIFIED
ILLNESS COVER CLAIMS PAID
BY IRISH LIFE RETAIL IN 2016

Life Insurance
Specified Illness Cover



* Total claims paid out across Irish Life's Retail and Corporate Business divisions in 2016.
Information correct as at January 2017.

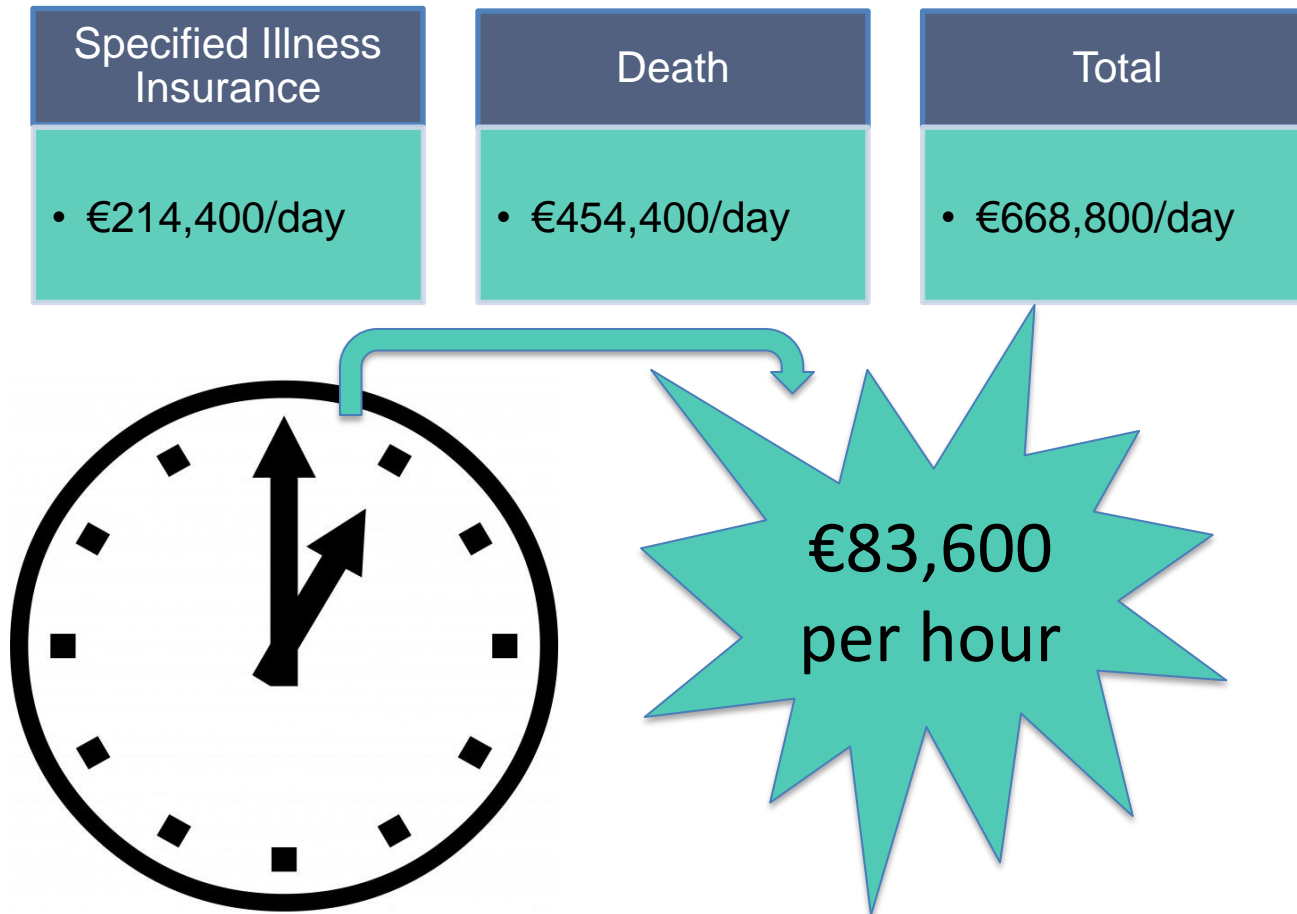
Irish Life Assurance plc is regulated by the Central Bank of Ireland.

PENSIONS INVESTMENTS LIFE INSURANCE



Irish Life

PAID EVERY WORKING DAY IN 2016



Can't predict the future - DEATH

Male
50s - Manager
Heart Attack
Cover 12 weeks in force
€49,000 paid

Female
30s - Sales
Breast Cancer
Cover 8 months in force
€52,000 paid

Male
30s – Professional
Road Traffic Accident
Cover in force 4 years
€274,000 paid

Male
30s – Tradesman
Non Hodgkin's Lymphoma
Cover 11 months in force
€151,000 paid

Can't predict the future – SPECIFIED ILLNESS

Male
30s - Retail
Stroke
Cover 29 weeks in force
€30,000 paid

Female
30s - Medical Person
Malignant Thyroid Cancer
Cover < 1 Year in force
€69,000 paid

Male
50s – Gardener
Heart Attack
Cover in force 48 weeks
€100,000 paid

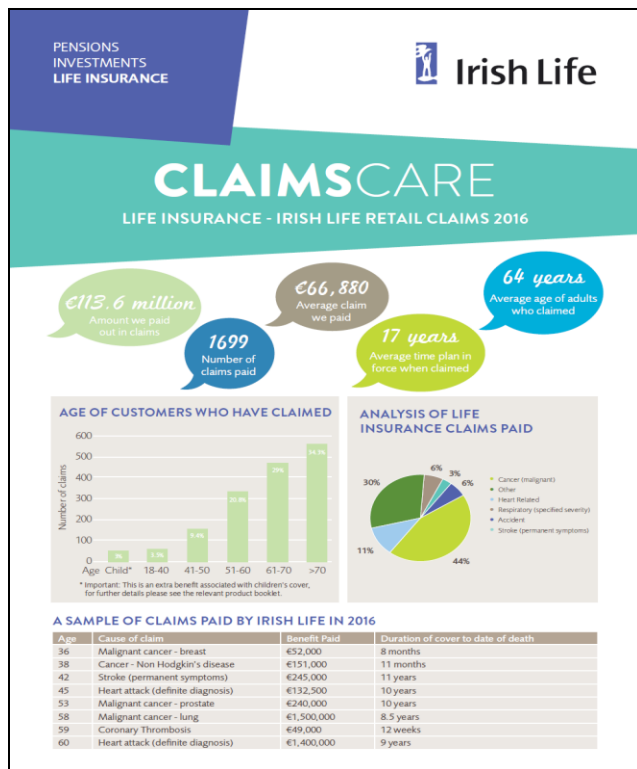
Female
40s – Teacher
Malignant Breast Cancer
Cover 7 years in force
€442,000 paid

PROTECTION DEATH CLAIMS 2016

1,699 claims
paid

€113.6m

Ave €66,880



Cancer 44%
Heart Related 11%
Accidents 6%

Largest individual
€1.5 million:
Male in 50s
Lung cancer

Only :
20% > €100,000
4.4% > €250,000

30% between
ages 40 & 60

Terminal Illness
40
Ave 10 years
€95,000

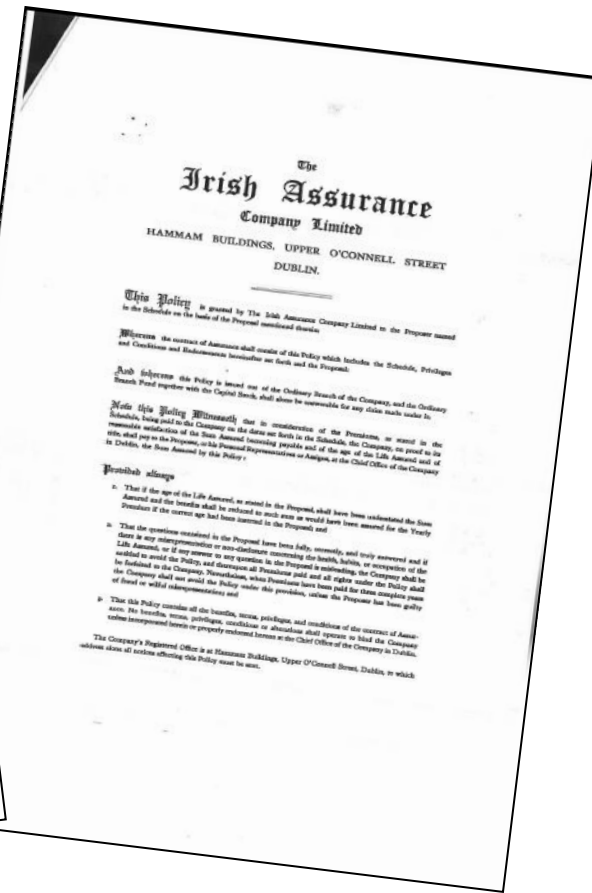
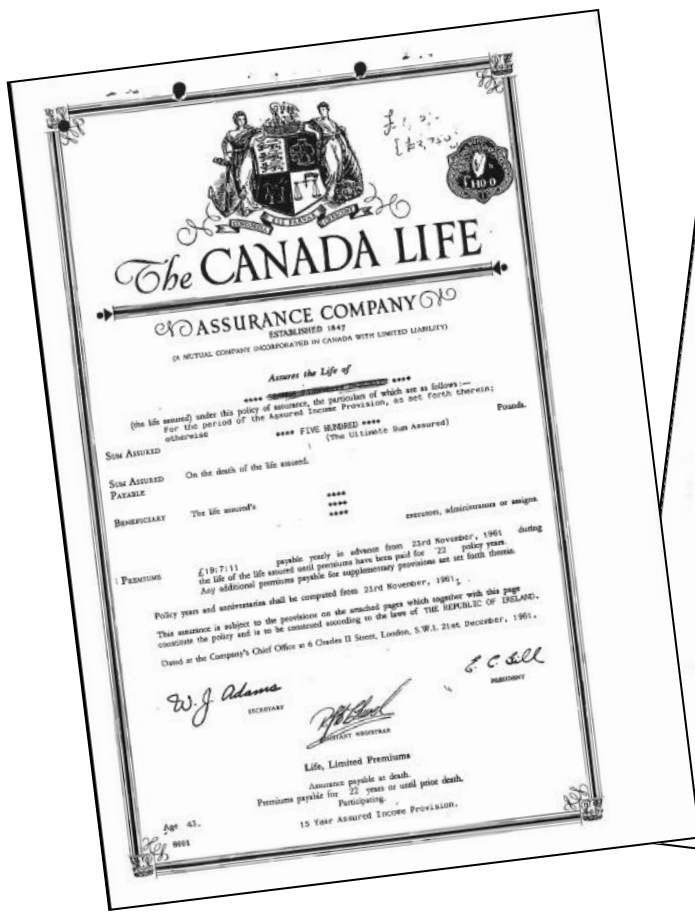
Average duration
in force = 17
years

DEATHS 2016 – ACCIDENTS/'UNINTENDED'

- ❑ 6% of all death claims paid were as a result of an accident
- ❑ 19 road accident deaths – average age mid 40s
- ❑ 106 life cover claims – value of €14.1 million
- ❑ Average age of adult accidental death was 5014 years younger than average age at death of 64
- ❑ 2nd biggest cause of death for under 40s – 24% of claims
- ❑ The average duration in-force for accident related claims was 10 years



Protection is a long term business....



**€14,000 paid
94 year old
70 years in force
Started 4/4/1945**

**39% over 20
years in force**

SPECIFIED ILLNESS CLAIMS 2016

881 claims

€53.6m

Ave €62,229

PENSIONS
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LIFE INSURANCE



Irish Life

CLAIMSCARE

SPECIFIED ILLNESS COVER - IRISH LIFE RETAIL CLAIMS 2016

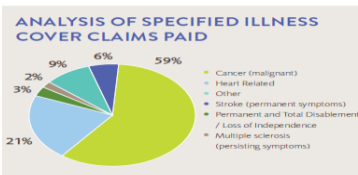
€53.6 million
Amount we paid out in claims

861
Number of claims we paid

€62,229
Average claim we paid

12 years
Average time plan in force when claimed

53 years
Average age of adult claims



A SAMPLE OF CLAIMS PAID BY IRISH LIFE IN 2016

Age	Cause of claim	Benefit Paid	Duration of cover to date of diagnosis
37	Malignant cancer - thyroid	€69,600	29 weeks
39	Malignant cancer - colon	€70,000	5 years
40	Malignant cancer - breast	€442,000	7.5 years
45	Multiple sclerosis (MS) - with persisting symptoms	€80,000	12 years
46	Motor Neurone Disease - resulting in permanent symptoms	€91,000	16 years
51	Parkinson's Disease - (idiopathic) resulting in permanent symptoms	€981,400	13 years
54	Malignant cancer - skin	€35,000	5 weeks

Terms and conditions apply, please refer to the relevant product booklet for a full list of conditions covered.

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**Ave age of adult claim
53 years**

**Largest claim:
€981,000
Neurological condition
Male 50s**

65% between ages 41 & 60

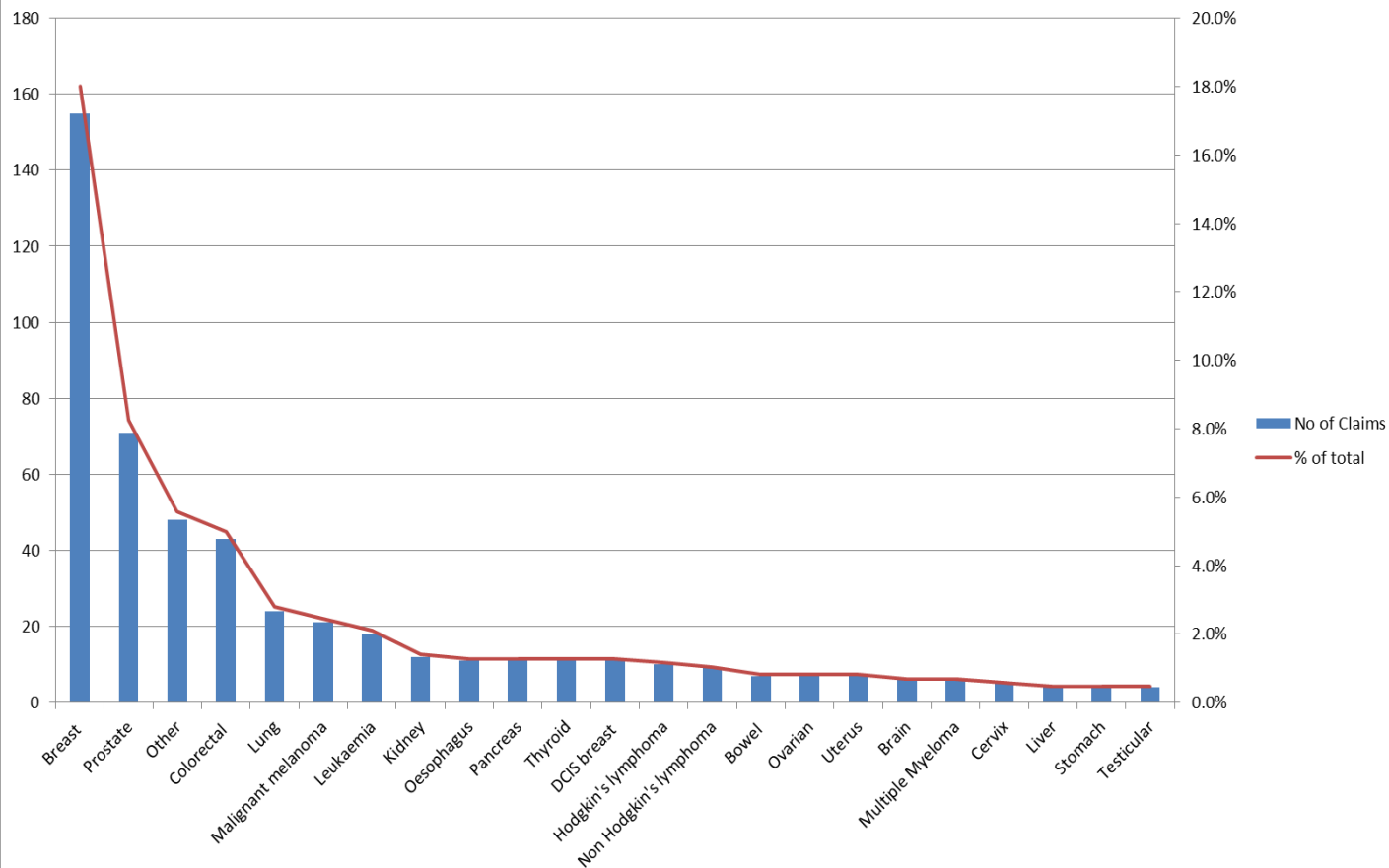
Only 20% > €100,000

20 additional/ partial payment claims



SPECIFIED ILLNESS 2016

Cancer Claims - 2016



- **2,218 Cancer claims paid in the last 5 years**
- **Total €142.9m paid**

SIC – MALE VS FEMALE

PENSIONS
INVESTMENTS
LIFE INSURANCE



Irish Life

CLAIMSCARE

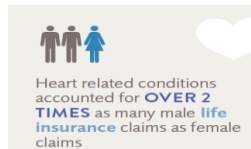
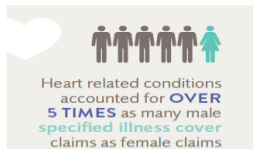
IRISH LIFE RETAIL CLAIMS - MALE CLAIMS 2016

THE TOP 3 CAUSES OF SPECIFIED ILLNESS COVER CLAIMS:

1. Malignant cancer (predominantly prostate, lung and colon)
2. Heart related conditions
3. Other*

THE TOP 3 CAUSES OF LIFE INSURANCE CLAIMS:

1. Cancer
2. Other*
3. Heart related conditions



MALE SPECIFIED ILLNESS COVER CLAIMS

53%	% of all adult specified illness cover claims
458	Number of claims paid
€64,636	Average claim paid
54	Average age of claimants
€981,400	Largest claim (Parkinson's disease)

MALE LIFE INSURANCE CLAIMS

62%	% of all adult life insurance claims
1045	Number of claims paid
€68,069	Average claim paid
61	Average age of claimants
€1,500,000	Largest claim (lung cancer)

* Other examples include age related deaths with organ failure, pneumonia, dementia listed as the cause

PENSIONS
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Irish Life

CLAIMSCARE

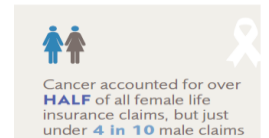
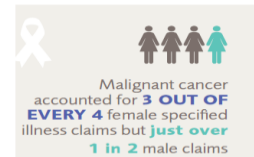
IRISH LIFE RETAIL CLAIMS - FEMALE CLAIMS 2016

THE TOP 3 CAUSES OF SPECIFIED ILLNESS COVER CLAIMS:

1. Malignant cancer (predominantly breast, lung and colon)
2. Other*
3. Heart related conditions

THE TOP 3 CAUSES OF LIFE INSURANCE CLAIMS:

1. Cancer
2. Heart related conditions
3. Respiratory (specified severity)



FEMALE SPECIFIED ILLNESS COVER CLAIMS

44%	% of all adult specified illness cover claims
379	Number of claims paid
€59,322	Average claim paid
50	Average age of claimants
€442,000	Largest claim (malignant breast cancer)

FEMALE LIFE INSURANCE CLAIMS

35%	% of all adult life insurance claims
603	Number of claims paid
€62,130	Average claim paid
57	Average age of claimants
€1,269,000	Largest claim (malignant breast cancer)

* Other examples include age related deaths with organ failure, pneumonia, dementia listed as the cause

Terms and conditions apply, please refer to the specific product booklets.

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PENSIONS INVESTMENTS LIFE INSURANCE



Irish Life

Condition	Full / Partial Payment	Change	
Heart attack	Full payment	Enhanced Definition	
Stroke	Full payment	Enhanced Definition	
Benign spinal cord tumour or cyst	Full payment	Enhanced Definition	
Blindness	Full payment	Enhanced Definition	
Crohn’s disease	Full payment	Enhanced Definition	
Multiple sclerosis	Full payment	Enhanced Definition	
Pulmonary artery surgery	Full payment	Enhanced Definition	
Third degree burns	Full payment	Enhanced Definition	
Cerebral/spinal aneurysm	Partial Payment	Enhanced Definition	
Cerebral/spinal AVM	Partial Payment	Enhanced Definition	
Significant visual impairment	Partial Payment	Enhanced Definition	
Total Colectomy (inc for Ulcerative Colitis)	Partial Payment	Enhanced Definition	
Spinal stroke	Full payment	New condition	
Eye stroke	Partial Payment	New condition	
Carcinoma in situ - oral cavity	Partial Payment	New condition	

Long history of SIC



Seven illnesses:


- Cancer
- Heart attack
- Stroke
- Coronary Artery Disease surgery
- Kidney failure
- Major organ transplant
- Paralysis

2017

45 full payment conditions

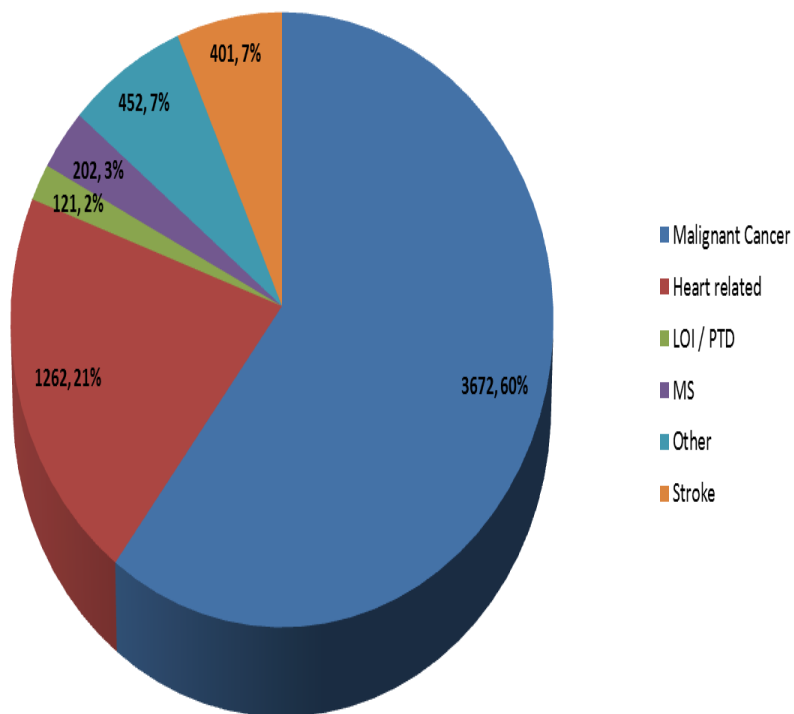
Plus

23 additional (partial) payment conditions

 Abbey Life LIVINGMASTER POLICY CONDITIONS	
<p>1. NATURE OF THE POLICY</p> <p>This Policy is issued by Abbey Life Assurance (Ireland) Limited ("the Company") and is a whole of life insurance providing a benefit payable on the death or disability of the Life Assured. The following conditions are applicable to all policies unless any clause is included on the Policy Face or under another clause of these conditions.</p> <p>Part A: Premium Conditions Part B: Benefit Fund Conditions Part C: Benefit Payment Conditions Part D: Cash Surrender Values and Paid-Up Policies Part E: General Conditions</p> <p>The Joint Lives Assured Conditions (Part F) only apply where more than one life assured is named on the Policy Face.</p> <p>These Conditions should be read in conjunction with the Policy Face. For the purposes of these Conditions:</p> <p>(a) "Actuary" means the Actuary for the time being of the Company and any decision, determination or exercise of any power given to him hereunder shall be at his absolute discretion and binding on the parties to the Policy.</p> <p>(b) "Commencement Date" means the Commencement Date as shown on the face of the Policy.</p> <p>(c) "Policy Anniversary" means every anniversary of the Commencement Date.</p> <p>(d) "Policy Year" means a year commencing on the Commencement Date of any Policy Anniversary and ending on the day immediately before the next following Policy Anniversary.</p> <p>(e) Except where inconsistent with the context, words importing the masculine shall include the feminine and words importing the singular shall include the plural and vice versa.</p> <p>A. PREMIUM CONDITIONS</p> <p>(1) The Premium shall be payable on the Commencement Date and thereafter at the intervals of time set out on the Policy Face until such time as benefits become payable in accordance with the terms of either Clauses 12 or 13 as a consequence of the death or earlier disability of the Life Assured.</p> <p>(2) The Premium consists of:</p> <ul style="list-style-type: none"> (i) The Basic Premium (ii) Any Additional Premium shown on 	<p>the Policy Face</p> <p>at as determined from time to time in accordance with the terms stated in these Conditions and on the Policy Face.</p> <p>(3) The Premium must be paid by a method acceptable to the Company. An alternative method of payment may be required by the Company in the current method is found to be unsatisfactory.</p> <p>(4) Subject to the provisions of Clause 6 of these Conditions and to such conditions as the Company may from time to time determine, incremental Premiums may be paid at the discretion of the Policyholder.</p> <p>3. PERIOD OF GRACE</p> <p>(a) Thirty days of grace shall be allowed for the payment of each Premium. If benefits become payable due to the death or disability of the Life Assured during the days of grace any Premium due but not paid shall be deducted from the benefit payable.</p> <p>(b) If a Premium is not paid in full before the expiry of the days of grace then:</p> <ul style="list-style-type: none"> (i) If the Policy has not acquired a surrender value the Policy shall lapse without value but (ii) If the Policy has acquired a surrender value the Policy shall be made into a savings policy in accordance with the provisions of Clause 17. <p>(c) Notwithstanding (i) and (ii) above, the Company may at its discretion recover any premium due and paid thereof from the Benefit Fund in the manner described in sub-Clause 11 (b).</p> <p>(d) Any payment in the name of premium subject to such evidence of continued payment as the Company may require and the payment of all outstanding Premiums together with such interest thereon as the Company may require.</p> <p>4. SUSPENSION OF PREMIUMS</p> <p>Provided that the Policy can be made paid-up in accordance with the provisions of Clause 17, payment of Premiums may be suspended for a period not exceeding six months, such a period to run from the first day of the month next following receipt of a written notification of the Policyholder's intention to suspend payment of Premiums.</p> <p>The Sum Assured shall be equal to the Sum Assured in force before the Suspension of Premiums and the Cover Charge described in Clause 14 shall continue to be borne monthly in respect of the amount by which the Sum Assured is less than the Benefit Fund. If at any time the Cover Charge to be deducted exceeds the Benefit Fund then the Policy shall be terminated.</p> <p>5. INFLATION PROTECTOR</p> <p>(a) Where it is indicated on the face of the Policy that this option has been selected, the Company shall, without requiring evidence of death, increase the Sum Assured annually on the Policy Anniversary by an amount determined by the Actuary as corresponding in proportion to the increase in the level of consumer prices over the preceding year. In respect of each such annual increase, the Premium shall increase by a similar proportion.</p> <p>(b) Notwithstanding sub-Clause (a) above, should the Actuary determine at any Policy Anniversary that the level of consumer prices has increased by less than 5% (five per cent) in the preceding year, then the Sum Assured and Premium shall each increase by 5% (five per cent) at such anniversary. Should the Actuary determine at any Policy Anniversary that the level of consumer prices has increased by more than 10% (ten per cent) in the preceding year then the increase in Sum Assured and Premium may be withheld to 10% (ten per cent) at such anniversary, or such greater amount as the Actuary shall determine.</p> <p>(c) Notwithstanding sub-Clauses (a) and (b) above, the Company shall not make any increase in the Sum Assured or Premium after the Life Assured has attained age 65.</p> <p>(d) The Policyholder may request the Company not to make any further increase in Sum Assured or Premium under this Clause, in which case the Sum Assured and Premium will be reviewed in accordance with the provisions of Clause 10 (b) and (c). Regular increases may be required only with the agreement of the Company.</p>

SIC Claims – Jan 2007 to Dec 2016

SIC Claims - last 10 yrs



- 6,110 SIC Claims paid in last 10 years
- €386m paid in total
- 93% of claims are for Top 5 conditions:

- ☐ Malignant Cancer
- ☐ Heart Related
- ☐ Stroke
- ☐ MS
- ☐ LOI/PTD

- Top 5 illness are:

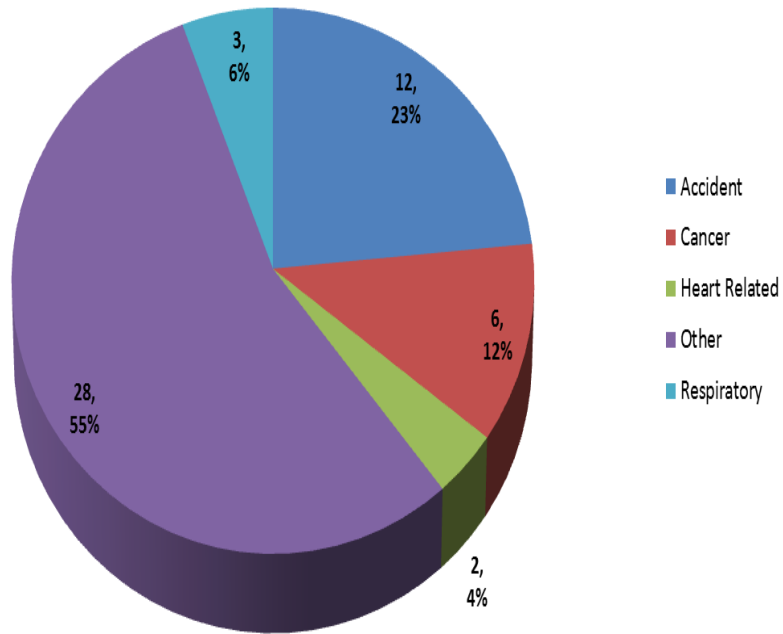
- ☐ 1,035 claims for Breast Cancer (16.9%)
- ☐ 618 claims for Heart Attack (10.1%)
- ☐ 495 claims for Prostate Cancer (8.1%)
- ☐ 395 claims for Stroke (6.5%)
- ☐ 220 claims for Angioplasty (3.6%)



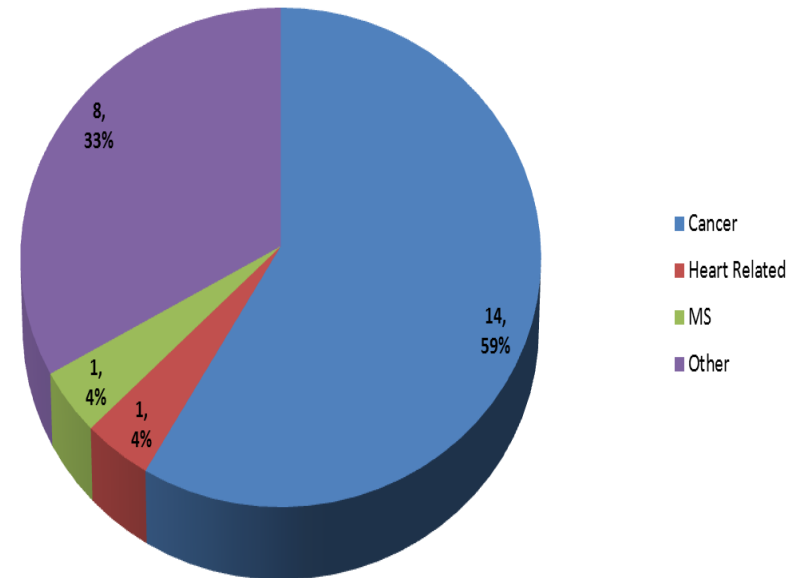
CHILD CLAIMS 2016

51 DEATH & 24 SIC

Death Claims - Child



Child SIC Claims



CHILDREN'S COVER ENHANCEMENTS

- **Life Cover**
 - from €6000 to €7000
 - from age 21 to age 25
- **Specified illness cover**
 - cover starts from birth*, rather than from 30 days
 - from age 21 to age 25
 - still up to €25,000 or half parents

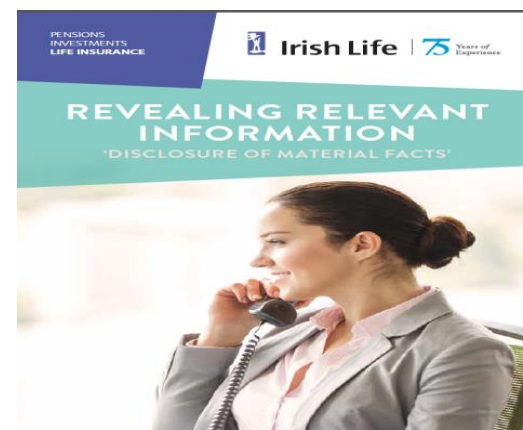


* See T&Cs

ILFS: CLAIMS PAID IN 2016

In 2016, Irish Life have paid :

- 98.2% of all death claims
- 90% of all SIC claims
(96% of Malignant Cancer)



1. previous stroke
2. significant hospital admission for alcohol dependency 4 months prior to applying for cover.

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Customer Survey – Some comments said in 2016

“I was just so pleased that the policy was there when I became ill. A serious illness policy would have been the last thing on my mind, and it was my broker who told me to keep it going. I didn’t think I would need it at my age.”

“I am extremely happy with the overall experience. The people I dealt with during the claim were very knowledgeable and understanding of the situation, and to me it's the staff that makes the company.”

“Irish Life had good communication with my broker.”

“Their staff are extremely helpful, knowledgeable, and empathetic to people with a serious illness, and very understanding.”

“Irish Life were there for me when I needed them, I had paid a lot of money in to this policy over the years, but I’m really glad I did.”

Broker Comment post a SIC claim in Sept 2016....

“That is a fantastic level of service. It gives me huge confidence in the product and especially in the Irish Life's claim's process.

Its only at the claims stage do we fully appreciate how valuable a role we play in providing good advice and products to our clients. It certainly gives me a great sense of satisfaction to know that we have made a difference to this young family at a difficult time. ”

SUMMARY

- Nobody can predict the future.
- Unexpected deaths & illness do occur and lead to claims.
- Protection is core to the advice brokers give customers.
- We publish lots of very credible claims data & on www.irishlife.ie
- Cancers – biggest cause of claim & largely a sudden diagnosis.
- 6% of death claims are as a result of ‘accident/unintended’ deaths.
- 98.2% of death claims and 90% of SIC claims paid by Irish Life.
- We pay as quickly as we can and we are quickest for SIC against survey of 9 companies (8 UK based).
- Over 90% of paid SIC claims are for Top 5 – malignant cancer, heart, stroke, MS, LOI/PTD.
- Children’s cover is a very valuable benefit and much better with Irish Life.



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“Predicting the Future” – 2016 Claims

Questions?



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